

**COMSTAR FEDERAL CREDIT UNION - 22601 Gateway Center Drive, Clarksburg, MD 20871**  
**Servicing Disclosure Statement**

**NOTICE TO MORTGAGE LOAN APPLICANTS:** THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED, FEDERAL LAW GIVES YOU CERTAIN RELATED RIGHTS. READ THIS STATEMENT AND SIGN IT ONLY IF YOU UNDERSTAND ITS CONTENTS.

Because you are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2601 et seq.) you have certain rights under that Federal law. This statement tells you about those rights. It also tells you what the chances are that the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest and escrow account payments, if any. If your loan servicer changes, there are certain procedures that must be followed. This statement generally explains those procedures.

**Transfer Practices and Requirements.**

If the servicing of your loan is assigned, sold, or transferred to a new servicer, you must be given written notice of that transfer. The present loan servicer must send you notice in writing of the assignment, sale or transfer of the servicing not less than 15 days before the effective date of the transfer. The new loan servicer must also send you notice within 15 days after the effective date of transfer. The present servicer and the new servicer may combine this information in one notice, so long as the notice is sent to you 15 days before the effective date of transfer. The 15 day period is not applicable if a notice of prospective transfer is provided to you at settlement. The law allows a delay in the time (not more than 30 days after a transfer) for servicers to notify you under certain limited circumstances, when your servicer is changed abruptly. This exception applies only if your servicer is fired for cause, is in bankruptcy proceeding, or is involved in a conservatorship or receivership initiated by a Federal agency.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, the name, address, and toll-free or collect call telephone number of the new servicer, and toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions about the transfer of servicing. During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

**Complaint Resolution**

Section 6 of RESPA (12 U.S.C., 2605) gives you certain consumer rights, **whether or not your loan servicing is transferred**. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for the request. Not later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, or must provide you with a written clarification regarding any dispute. During this 60 Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. A Business Day is any day, excluding public holidays (State or Federal), Saturday and Sunday.

**Damages and Costs**

Section 6 RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section.

**Servicing Transfer Estimated by Lender.**

1. The following is the best estimate of what will happen to the servicing of your mortgage loan:

☒ We may assign, sell or transfer the servicing of your loan sometime while the loan is outstanding. ☐ We are able to service your loan and we ☐ will not ☐ haven't decided whether to service your loan.

OR

☐ We do not service mortgage loans, and we presently intend to assign, sell or transfer the servicing of your mortgage loan. You will be informed about your servicer.

2. ☒ For all the mortgage loans that we make in the 12-month period after your mortgage loan is funded, we estimate that the percentage of mortgage loans for which we will transfer servicing is between:

☒ 0 to 25% ☐ 26 to 50% ☐ 51 to 75% ☐ 76 to 100%

This estimate ☒ does ☐ does not include assignments, sales or transfers to affiliates or subsidiaries. This is only our best estimate and it is not binding. Business conditions or other circumstances may affect our future transferring decisions.

3. This is our record of transferring the servicing of the mortgage loans we have made in the past:

**Year** **Percentage of Loans Transferred** *rounded to nearest quartile - 0%, 25%, 50%, 75%, or 100%*

1999 \_\_\_\_\_ 0 %

2000 \_\_\_\_\_ 0 %

2001 \_\_\_\_\_ 0 %

This information ☒ does ☐ does not include assignments, sales or transfers to affiliates or subsidiaries.

**Acknowledgement of Mortgage Loan Applicant**

I/We have read this disclosure form and understand its contents, as evidenced by my/our signature(s) below. I/We understand that this acknowledgement is a required part of the mortgage loan application.

Applicant	Date	Applicant	Date
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Applicant	Date	Applicant	Date
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## NON-REFUNDABLE FEES

**COMSTAR Federal Credit Union** hereby acknowledges receipt of **\$311.00** (for joint applicants) or **\$291.50** (for single applicant), which represents the NON-REFUNDABLE FEES for a mortgage loan request on the property known as:

\_\_\_\_\_

\_\_\_\_\_

These fees are due at the time you make the application for the loan. They will not be refunded if you cancel the mortgage transaction or if it is not approved, but will be credited to you at time of closing. The fees cover the cost of the credit reports, residential appraisal and flood search.

Signed: \_\_\_\_\_  
**Applicant** **Date**

\_\_\_\_\_  
**Co-Applicant** (if applicable) **Date**

Please check the appropriate space:

\_\_\_\_\_ Check enclosed for the Non-refundable fees.

\_\_\_\_\_ Debit my/our COMSTAR account \_\_\_\_\_ for the Non-refundable fees.

## NOTICE OF ESCROW REQUIREMENTS

**When** financing a first mortgage loan with COMSTAR Federal Credit Union, you have the option as to whether you want an Escrow Account. We will escrow for property taxes and/or hazard insurance.

In either instance, we do require a copy of your paid hazard insurance policy each year.

If you choose not to have an Escrow Account with us and your property taxes and/or hazard insurance subsequently become past due, we reserve the right to REQUIRE an Escrow Account so we can be assured they are paid.

Your signature(s) below acknowledges that you have read this notice.

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\_\_\_\_\_ I would like to elect an Escrow Account for:

\_\_\_\_\_ Property Taxes

\_\_\_\_\_ Hazard Insurance

\_\_\_\_\_ I do not elect an Escrow Account, but understand the above conditions.

Signed:

\_\_\_\_\_  
**Applicant** Date

\_\_\_\_\_  
**CoApplicant** (if applicable) Date